

LAKE COUNTY  
**IMPACT FEE / CAPITAL FACILITIES ADVISORY COMMITTEE**  
**May 12, 2011**

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The Lake County Impact Fee/Capital Facilities Advisory Committee met on Thursday, May 12, 2011 in the Public Works Department conference room at 437 Ardice Avenue, Eustis, Florida. The Lake County Impact Fee Committee is expected to officially transition into a new role as the '**Capital Facilities Advisory Committee**', upon formalization by the Board of County Commissioners in May. A current Commissioner of the Lake County Board of County Commissioners shall continue to serve as liaison in a non-voting position and shall not be considered a member. *Note: Due to malfunction of the digital recording system, minutes were transcribed and not recorded.*

**County Commission Liaison:** Commissioner Sean Parks, District 2

**Members Present:** Davis Talmage, Banking and Finance  
Bill Benham, Agricultural Industry Representative  
Linda Nagle, Home Builders Association of Lake County  
Carol MacLeod, Lake County Schools  
John Buxman, Chamber of Commerce  
Jim Richardson, League of Cities  
Nancy Hurlbert, Citizen at Large  
Jeffrey Banker, Citizen at Large  
Alan Winslow, Citizen at Large

**Staff Present:** Sandy Minkoff, County Attorney  
Jim Stivender, Jr., Director of Public Works Department  
Fred Schneider, Director of Engineering  
T.J. Fish, Executive Director, Lake-Sumter MPO  
Angi Thompson, Development Processing Manager  
Phyllis Hegg, Assistant to Jim Stivender  
Cheryl Sutherland, Office Associate III

Chairman Talmage called the meeting to order at 9:40 a.m. and noted that the meeting had been duly advertised. He asked for a motion on the April 21, 2011 Lake County Impact Fee Committee Meeting Minutes.

***MOTION was made by Nancy Hurlbert and SECONDED by Carol MacLeod to approve the April 21, 2011 minutes of the Lake County Impact Fee Committee.***

**FOR:** Benham, Nagle, MacLeod, Buxman, Richardson, Hurlbert, Banker, Winslow, Talmage

**AGAINST:** None

**MOTION CARRIED:** 9 – 0

## Old Business

### Election of Vice Chairman:

Nominations: Linda Nagle – Declined  
Bill Benham – Accepted

***Motion made by John Buxman, SECONDED by Linda Nagle to elect Bill Benham as Vice Chairman.***

FOR: Benham, Nagle, MacLeod, Buxman, Richardson, Hurlbert, Banker, Winslow, Talmage

AGAINST: None

MOTION CARRIED: 9 - 0

## New Business

### **Funding Presentation: 'The Roads of Lake County – 1911 to 2011'**

A presentation was made by Jim Stivender, Jr., Director of Public Works Department to the committee members, which was also presented to the Board of County Commissioners on Tuesday, April 12, 2011 due to a 6-cents gas tax that is coming up for renewal, which if passed, would be used for long term maintenance and infrastructure of roads. Below are bullet highlights of the presentation:

#### **The Early Years - 1911 – 1951 (county population: 9,509 - 36,340)**

- 100 years ago, pine needles were collected to pave rural roads. The first traffic signal was in Clermont and by 1917 paved roads were in use.

#### **Post War Years – 1951 – 1971 (county population: 36,340 - 69,305)**

- Many city streets were paved and most local roads were clay. Property taxes paid for all road related expenses. In 1971, the last portion of US 27 was 4-laned. Citrus Groves were plentiful.

#### **1971 – 1991 (county population: 69,305 – 152,104)**

- From 1968 to 1988, the Board of County Commissioners had the same members. After the freezes in 1983, 1985 and 1989, only 15,000 acres of citrus remained.
- Subdivision regulations began in 1976. From 1978 to 1983, the State transferred 293 miles of roads to the County, not including the 360 miles of existing clay roads. Road Impact Fees in 1985 were \$298.20 for a home, regardless of its size. The General Fund supplement of \$600,000 was dropped in 1984. The 6-cents gas tax (two-cents each year) was initiated in 1984, 1985 and 1986. Minimum road standards existed, but decisions had to be made whether to pave or resurface existing roads. Acreage was only worth approx. \$10K to \$15K, as there was no value but only for the land.

#### **1991 - 2011 (county population: 152,104 – 276,783)**

- 160 miles of clay roads existed, with no new revenue from 1986 to 2003 except for impact fee increases. The Comp Plan was enacted in 1991; Dedicated Sales Tax was enacted in 2003 (1/6 of total collected - \$2,864,000). In March 2010, Impact Fees were suspended.



### Commissioner Districts & Road Maintenance Districts

- Three road maintenance areas cover Lake County. Maintenance Area 1 covers Astatula, Fruitland Park, Grand Island, Howey-in-the-Hills, Lady Lake, Lake Jem, Leesburg, Okahumpka, Tavares, and Yalaha. Maintenance Area 2 covers Clermont, Ferndale, Mascotte, Minneola, Montverde, Stuckey, and Groveland. Maintenance Area 3 covers Alexander Springs, Altoona, Astor Park, Cassia, Deland, Dona Vista, Eustis, Lake Katherine, Lake Mack, Mount Dora, Mount Plymouth, Paisley, Sorrento, and Umatilla.
- Partnering with the Cities for future maintenance of county roads within the city's jurisdiction. From 2004 to 2007, the County saw a boom of growth as more homes were being built and families moving to Lake County.

### Lake County Public Works 2014 – 2044 Business Plan

- Municipal Service Taxing Unit (MSTU)
  - Exists for unincorporated Lake County, which is used for parks and roads. This could be used as an alternative fund (in place of gas tax) for unincorporated county roads, subdivisions, micro-surfacing, and maintaining the road system. An additional .1 millage was added each year for road maintenance and parks from 2001 through 2007. In 2008, the millage was reduced due to legislative changes and has remained the same (.4984 millage) since 2008. The goal was to increase up to 1 millage each year and adjust shares.
- Transportation Trust Fund
  - One-cent County Gas Tax – for motor fuel and diesel was enacted by the Florida Legislature in 1941.
  - Two-cent Constitutional Gas Tax - for gasoline and other petroleum products was enacted by the Florida Legislature in 1943.
  - Ninth-cent Gas Tax (split 50% with cities) - for one-cent motor fuel diesel sold within the County's jurisdiction was enacted by the Florida Legislature in 1972 and passed by the electorate in 1982.
  - Local Option Fuel Tax - one-cent to six-cents collected on motor fuel and diesel sold within the County's jurisdiction. The first and second cent levied by Ordinance 1984-5 by the Board of County Commissioners (expiring on August 31, 2014). The third and fourth cent levied by Ordinance 1985-15 by the Board of County Commissioners (expiring on August 30, 2015). The fifth and sixth cent levied by Ordinance 1986-4 by the Board of County Commissioners (expiring on August 30, 2016).
  - Renewal of these taxes are authorized by a 4/5 vote from the Board of County Commissioners from January 1 to July 1 of the year of expiration, and becomes effective September of that same year. These gas taxes are used for personnel, operations, and capital.

### Transferring Funding and Roads to Municipalities

- 1,390 miles of County roads are maintained.
- As of 2010, Lake County has 297,052 residents.
- 108 miles of local roads, with 51% or more are located within City limits.
- Currently exploring possibilities to redistribute the 6-cent Local Option Fuel Tax, to provide a higher distribution percentage to the municipalities based on updated city road miles and current population. Estimated Local Option Gas Tax distribution for the County would be 66.3% and remainder would be shared with the cities. Working on formulas for population of cities and maintenance infrastructure. Recommendation for County share to drop to approx. 58% and 108 miles of roads to be redistributed amongst the cities.

### Renewal Infrastructure Sales Tax Fund

- 1-cent is collected on all transactions (up to \$5,000), effective January 2003 through December 2017, and divided into thirds and used for capital only. 1/3 going to the Lake County School Board, 1/3 to all municipalities, and 1/3 to Lake County Government. Lake County Public Works Transportation Share would provide funding for road construction projects, resurfacing and equipment. Renewal of the sales tax would be a referendum for the 2016 election.

### Road Impact Fee Benefit Districts

- Benefit Districts are divided into six areas (1 through 6). Road Impact Fees can only be used for capital only (capacity increase).
- On March 15, 1985, Ordinance 1985-01 was enacted that imposed fees on new structures to ensure that new developments pay a proportionate share of the cost of capital expenditures necessary to provide roads in Lake County, rather than placing such costs on existing residents and taxpayers. In March 2010 the collection of road impact fees were suspended for two-years.
- Due to growth population, the demand increases. In the early years, 2-4 million in gas tax was used for resurfacing. During the construction boom years, the supply and demand of maintaining infrastructure increased to 4-6 million, which covered widening of roads, turn-lanes, etc. on CR 466 and Hartwood Marsh Road and Hartle Road in the South Lake area. \$6-8 million is needed yearly to provide ongoing services.
- 4,000 vehicles travel daily on Hartle Road and in need of improvements. A five-cent optional gas tax would generate \$4 million yearly to provide these services. There was a decline in 2006 for gas tax and was tight for a few years, but not seeing a rapid decline at this time.

### Road Impact Fee Option

- Below are a few examples of using five-cent Local Option Fuel Tax as a credit towards impact fees:

Land Use Type	Unit	Updated Fee	50% Discount	5-cent Local Option Fuel Tax
Single-Family (1,500-2,499 SF)	Dwelling	\$4,606	\$2,303	\$1,737
Active Adult Comm.	Dwelling	\$1,678	\$839	\$628
Retail / Commercial	1,000 SF	\$5,349	\$2,675	\$1,904
Office	1,000 SF	\$4,475	\$2,238	\$1,67

### Summary / Department Director Recommendations

1. **Municipal Service Taxing Unit (MSTU)** – allocate funds to complement the Gas Tax to maintain County roads, and to manage non-County maintained roads and Department challenges in unincorporated Lake County.
2. **Gas Tax** – Renew each 2-cents of local option fuel tax in the year of their expiration for a total of 6-cents of local option fuel tax for 30-years. Redistribute the formula based on updated jurisdictional road miles and current population.
3. **Renewal Infrastructure Sales Tax Fund** – Analyze Lake County's needs in 2015 to include them in a 2016 campaign for renewal.
4. **Local Option Fuel Tax (Second Tax 1-cent to 5-cents)** – Adopt the 5-cent local option fuel tax to function as a credit towards impact fees.
5. **Road Impact Fee Fund** – Re-district Lake County for three benefit districts, instead of six. Re-assess the impact fee mechanism with the understanding that impact fees can be adopted less than full value (50% discount).



## Questions

1. **Alan Winslow – What are we looking for, as the 5-year road program does not show a lot?** Mr. Stivender advised renewing of gas taxes in order to maintain roads. Right of Way needs to be bought for CR466 in Fruitland Park (approx \$20M), and designing of the Hancock Road / Lake Minneola High School area. Hartwood Marsh Road (from US 27 to the Orange County line) is in need of 4-lanes, which will cost approx. \$15M. Mr. Stivender stated that MSTU funds could be used for maintenance shortfalls on rural roads, and remaining maintenance covered by existing funds. T.J. Fish stated now to 2035, \$200M is needed to meet regional needs of improved intersections, turn-lanes and traffic signals.
2. **Alan Winslow – What is impact of oil prices for asphalt?** Mr. Stivender reported that they are the same, as there is not a government competition with private companies and therefore no jump in asphalt prices. Mr. Stivender stated that in 2005 asphalt prices rose due to high demand, and in 2006/2007 the Public Works Department froze positions due to shortfalls. Cash carry forward was good.
3. **Commissioner Sean Parks – Post freeze era of Lake County (growth period since 2001), what were deficits in infrastructure before then?** Mr. Stivender advised in 1985, there were no infrastructure or population deficits in Lake County.
4. **Bill Benham – How much Impact Fee is in account?** Mr. Stivender advised there is currently \$20M.
5. **Bill Benham – What is historical ratio of salaries?** Mr. Stivender advised currently there is five staff, as consultants were hired for work.
6. **Jim Richardson – If additional five-cents were added, what would revenue be for gas tax?** Mr. Stivender advised of \$4M annually. Usually, resurfacing on roads is done every 15-17 years. Currently, we are in a 25-30 year span.
7. **Jim Richardson – If additional five-cents is added, how much will go to Cities?** Mr. Stivender stated it is decided by the BCC.
8. **Carol MacLeod – If County was to pass Gas Tax, how much would the Cities receive?** Mr. Stivender advised Cities would have to agree, before BCC would pass. If monies are given to Cities, they would be required to do the project.

Commissioner Sean Parks advised if anyone had any comments to please feel free to ask him. He stated the committee's task is to examine alternative suggestions and have the freedom to be creative for recommendation to BCC within 6-months. The BCC will look at infrastructure improvements, good use of money, and focus on alternatives.

T.J. Fish stated that the Transportation Task Force Report will be reviewed at the next meeting, and focus will be on maintenance versus capacity. Angi Thompson advised she will forward copies of the Transportation Task Force Report to everyone.

Bill Benham asked Commissioner Parks what funds would be tapped for (local option five-cents) and advised it would be for the 5-year Capital Improvements plan.

9. **Carol MacLeod – 5-year Unfunded Plans?** Mr. Stivender advised these unfunded plans are not shown in 5-year program. Ms. MacLeod stated that Lake County Schools must include their unfunded plans in the 5-year program. T. J. Fish advised that 5-year unfunded usually includes intersections. Mr. Stivender stated that the Public Works Department looks for state grants to use for problem intersections (example: David Walker Dr. @ Mt. Homer Rd.). The 5-year program will go to the BCC in August of 2011.
10. **Alan Winslow – Working Model of Need / MPO's capacity and maintenance needs?** Mr. Stivender mentioned the last five-years he has looked at those in between of capacity and maintenance needs. He has gone through every road in Lake County to determine their needs.

Questions (continued)

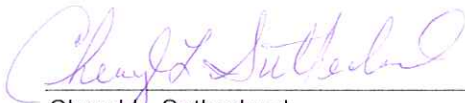
11. **Nancy Hurlbert – Renewal of 2/2/2 – 20 year automatic extension?** Mr. Stivender stated is not automatic and is 30-years. He has sat down with the Cities and adjusted. Renewal would be for 30-years, but adjustments would be done annually. We are driving more as a society, with an average of 18-miles per trip in Lake County. The Central part of Lake County has needs for road improvements.
12. **Bill Benham – Can you provide the historical data on costs at next meeting?** Mr. Stivender mentioned costs declined in 2004/2005, and due to supply and demand there was a pike in 2006/2007. In 2008 costs declined.
13. **Bill Benham – Existing 6-cents / Bonding?** Coverage is a lot less. County stays away from borrowing money, as roads age differently and we pay as we go.

**MOTION was made by \_\_\_\_\_ and SECONDED by \_\_\_\_\_ to adjourn the meeting.**

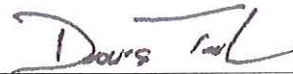
*Note: due to lack of recording, it's unclear who motioned and seconded.*

Mr. Talmage adjourned the meeting at 11:15 a.m.

Respectfully submitted,



Cheryl L. Sutherland  
Office Associate III



Davis Talmage  
IF/CFAC Chairman